

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

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ARULSENTHILK SHANMUGAM, an
individual, and SUJAI
SHANMUGASUNDARAM, an individual,

Plaintiffs,

v.

MERCEDES-BENZ USA, LLC, a
Delaware Limited Liability
Company, and DOES 1 through 20,
inclusive,

Defendants.

No. 2:20-cv-01647 WBS KJN

ORDER

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Plaintiffs have filed a bill of costs totaling \$555.00.
(Docket No. 17.) Although defendant has not objected, Federal
Rule of Civil Procedure 54(d)(1) and Local Rule 292, which govern
taxation of costs, provide that costs are available only to the
“prevailing party.” Fed. R. Civ. P. 54(d)(1); E.D. Cal. Local R.
292(b); see also 28 U.S.C. § 1920 (enumerating taxable costs).

It is “well-settled” that “[a] ‘prevailing party’ . . .


1 is a party that has been afforded some relief by the court.”
2 York v. Beard, 1:14-cv-1234 LJO GSA PC, 2016 WL 7324703, at *1
3 (E.D. Cal. Dec. 15, 2016) (citing Buckhannon Bd. & Care Home,
4 Inc. v. W. Va. Dep’t of Health & Hum. Res., 532 U.S. 598, 603
5 (2001); Klamath Siskiyou Wildlands Ctr. v. U.S. Bureau of Land
6 Mgmt., 589 F.3d 1027, 1030 (9th Cir. 2009)). In other words, “to
7 be considered a prevailing party . . ., a plaintiff must not only
8 achieve some material alteration of the legal relationship of the
9 parties, but that change must also be judicially sanctioned.”
10 P.N. v. Seattle Sch. Dist. No. 1, 474 F.3d 1165, 1171 (9th Cir.
11 2007) (quoting Shapiro v. Paradise Valley Unified Sch. Dist., 374
12 F.3d 857, 865 (9th Cir. 2004)). The Ninth Circuit has held that,
13 where a case is “resolved by a settlement agreement signed only
14 by the parties,” -- i.e., one that lacks a “judicial imprimatur”
15 -- a plaintiff is not a prevailing party eligible for costs. See
16 id. at 1167, 1171-73 (citing Buckhannon, 532 U.S. at 600).

17 Plaintiffs have not been “afforded . . . relief by the
18 court.” Rather, judgment was entered in favor of defendant as to
19 one of plaintiffs’ claims, (Docket No. 13), and plaintiffs
20 stipulated to dismissal of the remaining claims, (Docket No. 14).
21 Although the probable explanation for the parties’ joint
22 stipulation of dismissal is that a settlement was reached, the
23 court has received no indication that such a settlement was
24 judicially sanctioned. See P.N., 474 F.3d at 1171; see, e.g.,
25 Justin R. ex rel. Jennifer R. v. Matayoshi, 561 F. App’x 619, 620
26 (9th Cir. 2014) (holding existence of settlement agreement
27 providing for district court’s retention of jurisdiction,
28 together with fact that verbal settlement was reached before

1 magistrate judge during court-initiated settlement conference,
2 "provided sufficient judicial imprimatur"). Accordingly, the
3 court cannot conclude that plaintiffs were prevailing parties in
4 this case and therefore declines to award the requested costs.

5 IT IS SO ORDERED.¹

6 Dated: April 21, 2022

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8 **WILLIAM B. SHUBB**
9 **UNITED STATES DISTRICT JUDGE**

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¹ Nothing in this Order should be construed as preventing
25 the parties from arranging for payment of costs via their own
26 agreement. Because defendant did not respond to plaintiffs' bill
27 of costs, the court invited defendant to do so (Docket No. 18),
28 but defendant did not. To the extent that defendant's lack of
opposition may mean defendant is agreeable to paying the costs
plaintiffs identify, defendant is free to do so without the
court's involvement.